

House File 2478 - Introduced

HOUSE FILE _____
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DE BOEF, CHAMBERS, MERTZ,
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Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the definition and regulation of outpatient
2 surgical facilities or ambulatory surgical centers and
3 providing for fees.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 6335YH 82
6 pf/nh/24

PAG LIN

1 1 Section 1. Section 135.61, subsection 21, Code 2007, is
1 2 amended to read as follows:
1 3 21. "Outpatient surgical facility" means ~~a~~ all of the
1 4 following:
1 5 a. A facility which as its primary function provides,
1 6 through an organized medical staff and on an outpatient basis
1 7 to patients who are generally ambulatory, surgical procedures
1 8 not ordinarily performed in a private physician's office, but
1 9 not requiring twenty-four hour hospitalization, and which is
1 10 ~~neither not~~ a part of a hospital nor ~~is owned wholly or in~~
1 11 ~~part by a hospital, nor is it the private office of a health~~
1 12 care provider who there engages in the lawful practice of
1 13 surgery. ~~"Outpatient surgical facility" includes a~~
1 14 b. A facility certified or seeking certification as an
1 15 ambulatory surgical center, under the federal Medicare program
1 16 or under the medical assistance program established pursuant
1 17 to chapter 249A.
1 18 c. A facility that provides for the performing or inducing
1 19 of any second or third trimester abortions or five or more
1 20 first trimester abortions per month.
1 21 Sec. 2. NEW SECTION. 1350.1 DEFINITIONS.
1 22 As used in this chapter, unless the context otherwise
1 23 requires:
1 24 1. "Ambulatory surgical center" means an outpatient
1 25 surgical facility as defined in section 135.61 or an
1 26 ambulatory surgical facility as defined in section 514.5.
1 27 2. "Department" means the department of inspections and
1 28 appeals.
1 29 Sec. 3. NEW SECTION. 1350.2 LICENSES == FEES ==
1 30 CRITERIA.
1 31 1. A person shall not operate an ambulatory surgical
1 32 center in this state without first obtaining a license from
1 33 the department after meeting the requirements of this chapter.
1 34 The application shall be on a form prescribed by the
1 35 department and shall require information the department deems
2 1 necessary. Each application for license shall be accompanied
2 2 by a nonrefundable biennial license fee determined by the
2 3 department.
2 4 2. The ambulatory surgical center shall meet the
2 5 requirements of 42 C.F.R. } 416 before a license is issued.
2 6 The department of inspections and appeals shall provide the
2 7 necessary personnel to inspect the ambulatory surgical center
2 8 to determine if the ambulatory surgical center complies with
2 9 necessary requirements before a license is issued. Ambulatory
2 10 surgical centers that are certified under the federal Medicare
2 11 program and thereby meet the requirements of 42 C.F.R. } 416
2 12 shall be licensed without inspection by the department of
2 13 inspections and appeals.
2 14 Sec. 4. NEW SECTION. 1350.3 DENIAL, SUSPENSION, OR
2 15 REVOCATION OF LICENSE.
2 16 The department may deny, suspend, or revoke a license if

2 17 the department determines an ambulatory surgical center fails
2 18 to comply with this chapter or the rules adopted under this
2 19 chapter. A denial, suspension, or revocation may be appealed
2 20 under chapter 17A. The department may reissue a license
2 21 following a suspension or revocation after the ambulatory
2 22 surgical center corrects the conditions upon which the
2 23 suspension or revocation was based.

2 24 Sec. 5. NEW SECTION. 1350.4 LIMITATION, EXPIRATION, AND
2 25 RENEWAL OF LICENSE.

2 26 A license for an ambulatory surgical center shall be issued
2 27 only for the premises, person, or facility named in the
2 28 application and is not transferable or assignable. A license,
2 29 unless sooner suspended or revoked, shall expire two years
2 30 after the date of issuance and shall be renewed biennially
2 31 upon an application by the licensee. Application for renewal
2 32 shall be made in writing to the department at least thirty
2 33 days prior to the expiration of the license. The fee for a
2 34 license renewal shall be determined by the department.

2 35 Sec. 6. NEW SECTION. 1350.5 RULES.

3 1 Except as otherwise provided in this chapter, the
3 2 department shall adopt rules pursuant to chapter 17A necessary
3 3 to implement this chapter, subject to approval of the state
3 4 board of health. Formulation of the rules shall include
3 5 consultation with persons affected by this chapter.

3 6 Sec. 7. Section 514.5, Code 2007, is amended to read as
3 7 follows:

3 8 514.5 CONTRACTS FOR SERVICE.

3 9 1. A hospital service corporation organized under chapter
3 10 504, Code 1989, or current chapter 504 may enter into
3 11 contracts for the rendering of hospital service to any of its
3 12 subscribers with hospitals maintained and operated by the
3 13 state or any of its political subdivisions, or by any
3 14 corporation, association, or individual. Such hospital
3 15 service corporation may also contract with an ambulatory
3 16 surgical facility to provide surgical services to the
3 17 corporation's subscribers. Hospital service is meant to
3 18 include bed and board, general nursing care, use of the
3 19 operating room, use of the delivery room, ordinary medications
3 20 and dressings and other customary routine care. "Ambulatory
3 21 surgical facility" means a facility constructed and operated
3 22 for the specific purpose of providing surgery to patients
3 23 admitted to and discharged from the facility within the same
3 24 day or an "outpatient surgical facility" as defined in section
3 25 135.61.

3 26 2. A medical service corporation organized under this
3 27 chapter may enter into contracts with subscribers to furnish
3 28 health care service through physicians and surgeons, dentists,
3 29 podiatric physicians, osteopathic physicians, osteopathic
3 30 physicians and surgeons, or chiropractors.

3 31 3. Any pharmaceutical or optometric service corporation
3 32 organized under the provisions of said chapter may enter into
3 33 contracts for the rendering of pharmaceutical or optometric
3 34 service to any of its subscribers. Membership in any
3 35 pharmaceutical service corporation shall be open to all
4 1 pharmacies licensed under chapter 155A.

4 2 4. A hospital service corporation or medical service
4 3 corporation organized under this chapter may enter into
4 4 contracts with subscribers and providers to furnish health
4 5 care services not otherwise allocated by this section.

4 6 EXPLANATION

4 7 This bill defines an outpatient surgical facility or
4 8 ambulatory surgical center to include any facility that
4 9 provides for performing or inducing any second or third
4 10 trimester abortions or five or more first trimester abortions
4 11 per month, thereby making these establishments subject to
4 12 certificate of need requirements and other regulatory
4 13 provisions to which outpatient surgical facilities or
4 14 ambulatory surgical centers are subject. The bill also amends
4 15 the definition of an outpatient surgical facility to exclude
4 16 facilities that are owned wholly or in part by a hospital.

4 17 The bill also requires that ambulatory surgical centers be
4 18 licensed and meet the requirements of the centers for Medicare
4 19 and Medicaid services of the United States department of
4 20 health and human services for ambulatory surgical centers.

4 21 LSB 6335YH 82

4 22 pf/nh/24.3